

GUIDANCE ON CALIFORNIA'S UPDATED VENDOR LAWS (2023)

SB 946 (2018) LEGALIZED SIDEWALK VENDING THROUGHOUT CALIFORNIA

- No jurisdiction can criminally punish you for street vending.
- Vendors may not be arrested for selling food without a health permit.

CHECK YOUR LOCAL RULES!

- Cities and counties have different rules for street vending. They can restrict street vending in certain areas if it impacts health, safety, or welfare. They can also require health permits and vending permits (details on what permits you need and how you obtain them below).
- You CAN be issued a civil citation for vending without the proper permits. Fines can vary from \$250 to \$1,000 but can be reduced by 20% for people who are low-income. For help with vending citations contact Public Counsel: <https://publiccounsel.org/services/small-businesses/>

GET YOUR PERMITS:

In you vend in the City of LA you will need:

1) Seller's Permit

- Issued by the California Department of Tax and Fee Administration ("CDTFA"). The Sellers Permit is **FREE** to apply, but may require a security deposit for future costs. The deposit amount is determined at the time of application.



GET YOUR PERMITS CONT'D:

- As a seller's permit holder, you are required to report and pay sales and use taxes.
 - APPLY HERE: <https://onlineservices.cdtfa.ca.gov/>
 - FAQ HERE: <https://www.cdtfa.ca.gov/taxes-and-fees/faqseller.htm>
 - MORE INFO: <https://www.cdtfa.ca.gov/services/permits-licenses.htm>

2) Business Tax Registration Certificate (BTRC)

- It may be **FREE** to apply for the BTRC. The cost of the BTRC can change depending on the nature of your work, and if applicable, fees must be paid at time of registration. Once you get the BTRC, you will pay a tax to City of LA based on your gross receipts. You may be eligible for a small business exemption from paying a tax if your gross receipts are \$100,000 or less. You can find more information here: <https://finance.lacity.gov/tax-education/tax-exemptions/tax-incentives-and-exemptions>
- There are several ways to register for your BTRC. If you apply online or in person, you will be issued a temporary BTRC at the time of application, and a permanent BTRC will be mailed to you in 3-4 weeks. Make sure to have all the documentation you need to complete the process (see below). To apply online visit: https://latax.lacity.org/businessregapp/eappreg_criteria. To apply in person visit: <https://finance.lacity.gov/contact>.



GET YOUR PERMITS CONT'D:

- **To register for the BTRC you will need the following documentation:**
 - Federal Employment Identification Number (EIN). You may use your Social Security Number or ITIN number instead if you are a sole proprietor with no employees. To obtain an EIN visit: <https://sa.www4.irs.gov/modiein/individual/index.jsp>. To obtain an ITIN visit: <https://www.irs.gov/individuals/how-do-i-apply-for-an-itin>
 - You will also need to provide: a description of your business activities, your legal business name (to file for a dba if not using your own name for your business, visit: <https://apps.lavote.gov/#/fbnfilingapproach>, your business type (partnership, sole proprietor, etc.), your business start date, the primary mailing address for your business, your business contact information, Sales Tax Number (if you registered for a Seller's Permit with the State of California – see above)

You must also meet ALL the following criteria:

- Only be opening one business location at time of registration
- Never have previously registered your business with the City of Los Angeles, Office of Finance
- Have a business physically located within LA city limits, or the business owner/employees conducting business within city limits



GET YOUR PERMITS CONT'D:

3) Sidewalk and Park Vending Permit

- You must go in person to the StreetsLA office to obtain the Sidewalk and Park Vending Permit. The cost for a Sidewalk and Park Vending Permit is \$291.00 as of July 2023. You can book an appointment to obtain your permit by calling **(213) 847-6000** and can get more information at: <https://streetsla.lacity.org/vending>. *You must have your Seller's Permit and BTRC before applying for the Sidewalk and Park Vending Permit.
- Once you obtain your permit, you must keep the permit itself or at least a copy on your person when vending. *If you do not have the permit on you, then you may be cited and fined for vending without a permit even if you have one.

CHANGES TO HEALTH PERMITS FOR FOOD VENDORS - SB 972 (2022):

Vendors worked together to pass SB 972, a STATEWIDE law to make getting a health permit easier or even unnecessary (in some cases) for street vendors who sell food. This law became effective January 1, 2023.

If you sell food, you may be required to obtain a health permit from the Los Angeles County Department of Public Health (or the Pasadena, Long Beach, or Vernon Health Departments if you vend in those cities) in addition to a local vending permit from the city you work in. **If you sell only prepackaged, non-potentially hazardous food like bags of chips, bottled water, cans of soda, or whole fruits and vegetables and your operation is 25 square feet or less, you do not need a health permit.** If you sell other foods, such as prepared foods or cut fruit, **contact the LA County Department of Public Health at (626) 430-5500** to find out whether you need a health permit.

If you are vending food, the LA County Department of Public Health can inspect your vending cart/operation to confirm food is being handled safely. You have the right to request that officials from the Department of Public Health identify themselves with their badge or a business card prior to their inspection.

The law also increases the number of places where street vendors can prepare food. Food can be prepared in commercial kitchens in restaurants or churches in addition to commissaries. It also streamlines the process to get a cart approved for the sale of food.

WHAT DO THESE LAWS MEAN FOR YOU?

Fines can be issued every time a person vends merchandise/goods or food without complying with the law, but a vendor cannot be fined on one occasion by a single authority for both not having a permit and violating vending laws. For example, a vendor cannot be fined for both not having a health permit and violating health related vending laws during one occasion of selling.

You can also be fined for:

- Selling without a permit (where one is required)
- For a stationary vending stall that does not allow space for people to walk on the sidewalk or for a person who uses a wheelchair to pass
- For selling in front of an entrance, door, gate, driveway, water fountain, bus stop locations, benches, bike racks, newsstands, red curbs, or other city infrastructure
- For dumping trash or leaving trash around
- Breaking any local city/county regulations (know the city where you're selling!)

You cannot be fined for:

- Being one of many vendors on one block. *However, cities may have specific rules around spacing for entrances or between vendors – know the laws for the city in which you vend!
- Vending in front of a private business without their permission.
 - In City of LA, vendors must be at least **20 feet** from an entrance to any building, store, theatre, movie house, house of worship, or place of public assembly.
- For being a mobile vendor in a park (if allowed)
- For being a mobile vendor in a residential area

